

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2021-329-T - ORDER NO. 2022-2

January 10, 2022

IN RE: Application of K & K Investments Inc. d/b/a) ORDER APPROVING
Apartment Movers Etc., and America's Best) CERTAIN TARIFF
Moving System to Amend Tariff) AMENDMENTS

I. INTRODUCTION

This matter comes before the Public Service Commission of South Carolina ("Commission") on the Application of K & K Investments Inc. d/b/a Apartment Movers Etc. and America's Best Moving System's ("K & K" or "Company") to amend its current tariff. K & K holds a Class E Certificate and seeks approval of its increased hourly rates and other tariff changes. K & K has not had a tariff increase in fifteen (15) years.

II. FACTS AND PROCEDURAL HISTORY

K & K currently holds statewide authority to transport household goods. The Company filed this request to amend its tariff on October 12, 2021 ("First Amended Tariff"). The matter was heard by the Commission on December 8, 2021 and December 14, 2021.

By way of background, K & K f/k/a Carl's Inc. d/b/a Apartment Movers, Etc. sought a Class E Certificate for Public Convenience and Necessity in Docket No. 1995-823-T, which was approved by the Commission on September 20, 1995 (Order No. 1995-1554) and amended on July 29, 1997 (Order No. 1997-627). On June 3, 2003, the Company's name was changed from Carl's Inc. d/b/a Apartment Movers, Etc. to K & K Investments, Inc. d/b/a Apartment Movers, Etc. (Order

No. 2003-368). America's Best Moving System was adopted as an additional trade name on January 12, 2005. (Order No. 2005-12.) The Company's last tariff amendment was in July 2006.

On October 15, 2021, the Clerk's Office of the Commission instructed the Company to publish a Notice of Filing ("Notice") in newspapers of general circulation in the areas affected by the Application. The Notice summarized Applicant's initial proposed changes and advised any person desiring to participate as a party of record to file a Petition to Intervene on or before November 22, 2021. K & K filed its Affidavit of Publication, and the notice requirement was met by the Company's notice in *The State* on October 25, 2021. No person or entity intervened.

The Office of Regulatory Staff ("ORS"), a party of record pursuant to section 58-4-10(B) of the South Carolina Code of Laws (Supp. 2021), was notified of the requested amendments and filed its notice of appearance on October 19, 2021. ORS performed a review of the proposed tariff and submitted its findings to the Commission (the "Impact Study") on December 9, 2021. As part of the Impact Study, ORS provided: (1) a calculation of the percentage of increase in the Company's rates and charges in the proposed tariff; (2) the result of a compliance review, (3) consumer complaints related to K & K in the past 12 months, and (4) K & K's compliance with Annual Report and Gross Receipts filing requirements.

III. EVIDENCE OF RECORD

The Company's current rates, proposed rates, and the percent increase are included in ORS' Tariff Comparison below:

12/8/2021

ORS Tariff Comparison
K K Investments Inc. dba Apartment Movers Etc. and America's Best Moving System
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Exhibit A

	Description	Unit	Approved Rate	Proposed Rate	Increase Amount	% Increase
Hourly Rates and charges						
Weekdays (Mon-Fri)	Two Movers and Truck	Per hour	\$79.00	\$95.00	\$16.00	20.25%
	Three Movers and Truck	Per hour	\$99.00	\$125.00	\$26.00	26.26%
	Four Movers and Truck	Per hour	\$129.00	\$160.00	\$31.00	24.03%
	Each Additional Mover	Per hour	\$30.00	\$35.00	\$5.00	16.67%
Saturdays	Two Movers and Truck	Per hour	\$79.00	\$105.00	\$26.00	32.91%
	Three Movers and Truck	Per hour	\$99.00	\$135.00	\$36.00	36.36%
	Four Movers and Truck	Per hour	\$129.00	\$170.00	\$41.00	31.78%
	Each Additional Mover	Per hour	\$30.00	\$40.00	\$10.00	33.33%
Bulky Items	Baby Grand and Large Upright Pianos	Each	\$200.00	\$250.00	\$50.00	25.00%
	Upright Pianos	Each	\$150.00	\$200.00	\$50.00	33.33%
	Flight of Stairs (4 or more steps)	Each	\$50.00	\$75.00	\$25.00	50.00%
Special Services	Tools for servicing items	Per tool, per 15 min	\$10.00	\$23.75	\$13.75	137.50%
Deposit	Deposit	Per Move	\$50.00	\$100.00	\$50.00	100.00%

According to ORS' Impact Study, K & K is "in compliance with Commission rules and regulations," "ORS has received no consumer complaints related to K & K [Investments] in the past 12 months," and "K & K [Investments] is in compliance with Annual Report and Gross Receipt filing requirements." (ORS correspondence dated December 9, 2021).

IV. APPLICABLE LAW

The Commission is authorized to fix or approve the rates charged by every South Carolina motor vehicle carrier: "[t]he commission shall regulate every motor carrier in this State and fix or approve the rates, fares, charges, classifications, and regulations pertaining to each motor carrier.... The rates once established remain in effect until such time when the commission determines the rates are unreasonable." S.C. Code Ann. 58-23-1010 (2015).

1. The commission shall make, fix, establish, or allow just and reasonable rates, fares, charges, classifications, and rules for all motor carriers subject to its rate jurisdiction.
2. As often as circumstances may require, the commission upon notice and hearing, if deemed necessary, from time to time may change or revise, or cause to be changed or

revised, any rates, fares, charges, classifications, and rules of a carrier who operates under a Certificate of PC&N.

S.C. Code Ann. Regs. 103-191 (2012).

"Every rate made, demanded, or received by any motor carrier operating under a Certificate of PC&N... shall be just and reasonable." S.C. Code Ann. Regs. 103-192 (2012). Once rates are approved, motor carriers are prohibited from charging more or less than the rates specified in lawful tariffs, schedules, or by specific order of the Commission:

[N]o motor carrier operating under a Certificate of PC&N shall charge... a greater or lesser or different compensation for transportation, or for any service rendered, than the rates, fares, and charges specified in the lawfully applicable tariffs or schedules in effect from time to time.

S.C. Code Ann. Regs. 103-198 (2012).

Furthermore, rate discrimination and undue preference is not permitted. S. C. Code Ann. Regs. 103-197 (2012). No motor carrier can give unreasonable preference, unjust discrimination, or undue or unreasonable prejudice or disadvantage to any "person, port, gateway, locality, or description of traffic." *Id*

V. DISCUSSION

K & K's request to amend includes amendments to nine current rules. Proposed Rule 15 (B) requires a customer to notify the company of damages to goods within forty-eight hours; Rule 18 changes the time increments for hourly rates from thirty minutes to fifteen minutes; Rule 34 updates the hourly labor charges; and Rule 36 increases the cost of moving pianos.

Not all of K & K's proposed amendments are reasonable. For instance, the 48-hour requirement of Rule 15 (B) does not allow enough time for customers to provide notice of damages. This amendment does not meet the just and reasonable standards promulgated by S.C. Code Ann. Regs. 103-191.

The Company's proposed hourly labor rates, however, are reasonable. The rates would increase from \$5 to \$41 per hour, depending on the number of movers and day of the week. The cost of moving pianos would increase by \$50 per hour, depending on size. There is no evidence to suggest the amendments to Rules 18, 34, and 36 are discriminatory.

ORS found the Company to be in compliance with Commission rules and regulations and memorialized their findings in a letter to the Commission. ORS also noted the Company maintained its Annual Report and Gross Receipt filing requirements. No consumer complaints were filed against the Company in the past 12 months. Furthermore, no person or party has stated opposition to approval of the proposed tariff.

December 8, 2021 Business Meeting

On December 8, 2021 at 2:00 p.m., the Commission took up the matter at its regularly scheduled business meeting. Chairman Williams presided. The Commission approved K & K's requested changes to Rule 18 (Hourly Rates), Rule 34 (Labor Hourly Charges), and Rule 36 (Piano or Organ Carry Charges). The Commission rejected the amendment to Rule 15 (B), which requested a 48-hour claim period. Instead, the Commission directed the Company to adopt a 30-day time limit for customers to notify about damages.

The Commission also requested additional information for the remaining proposed amendments, which include Rule 16(D), Rule 27, Rule 37(C), Rule 39, and Rule 40. The Commission advised that the remaining amendments would not be considered without further explanation and justification.

On the morning of December 8, 2021, just prior to the business meeting, the Company filed a second Amended Tariff for the Commission's consideration ("Second Amended Tariff"). The sole change to the First Amended Tariff was the removal of the word "Saturday" from the overtime

charges section of Rule 34. Because it was filed the morning of the business meeting, the Second Amended Tariff was *not* considered by the Commission.

On December 9, 2021, ORS requested clarification regarding which tariff had been approved at the business meeting: the First or the Second Amended Tariff.

December 14, 2021 Business Meeting

On December 14, 2021, the Commission addressed ORS's question and confirmed the Second Amended Tariff had *not* been considered on December 8, 2021. Rather, just the First Amended Tariff had been contemplated. Therefore, the Commission agreed to modify the December 8 Directive by adopting, in part, the Second Amended Tariff, specifically the terms already accepted by the Commission on December 8.

As such, Rule 18, Rule 34 (including the removal of the word "Saturday"), and Rule 36 of the Second Amended Tariff were approved by the Commission, while Rule 16 (D), Rule 27, Rule 37 (C), Rule 39, and Rule 40 required additional justification. As before, Rule 15(B) was rejected, and the Commission required a 30-day time limit for customers to notify the Company of a claim. Finally, the Commission clarified *the Company* must offer additional justification for the remaining amendments.

The motion to modify the December 8 Directive and adopt the changes outlined above was granted by the Commission on December 14, 2021.

VI. FINDINGS OF FACT

After review of the Petition and all the evidence in the record, the Commission makes the following findings of fact:

1. K & K proposes amendments to its Tariff, including an increase in its hourly rates and certain other changes.

2. After review of the Application and the Impact Study prepared by ORS, we find Rule 18, Rule 34, and Rule 36 of the Second Amended Tariff reasonable.

3. After review of the Application and the Impact Study prepared by ORS, we find the proposed amendment to Rule 15(B) unreasonable. We reject it and require a 30-day timeframe for the customer to file a claim of damages.

4. After review of the Application and the Impact Study prepared by ORS, we find Rule 16 (D), Rule 27, Rule 37 (C), Rule 39, and Rule 40 of the Second Amended Tariff need additional justification before a determination can be made.

5. We find ORS has determined K & K is in compliance with all applicable Commission rules and regulations, including the Annual Report and Gross Receipt filing requirements.

6. We find ORS has not received any consumer complaints about K & K in the past twelve months.

VII. CONCLUSIONS OF LAW

After review of the Petition and all the evidence in the record, the Commission makes the following conclusions of law:

1. The Commission concludes Rule 18, Rule 34, and Rule 36 of K & K's Second Amended Tariff are reasonable, pursuant to S.C. Code Ann. Regs. 103-191 and 192.

2. The Commission concludes there is no evidence Rule 18, Rule 34, and Rule 36 of K & K's Second Amended Tariff are discriminatory, pursuant to S.C. Code Ann. Reg. 103-197.

3. The Commission concludes the proposed changes and amendments to Rule 18, Rule 34, and Rule 36 of its Second Amended Tariff are appropriate and shall be approved pursuant to the authority of the Commission set forth in sections 58-23-590 and 1010 of the South Carolina Code of Laws (2015).

4. The Commission concludes Rule 15 (B) is unreasonable pursuant to Regulations 103-191 and 192 of the South Carolina Code of Regulations and shall not be approved pursuant to the authority of the Commission set forth in sections 58-23-590 and 1010 of the South Carolina Code of Laws.

VIII. ORDERING PROVISIONS

IT IS THEREFORE ORDERED:

1. The Application of K & K Investments Inc. d/b/a Apartment Movers Etc. and America's Best Moving System's for approval of their Amended Tariff, is granted in part and denied in part.

2. Proposed Rule 18, Rule 34, and Rule 36 of K & K's Second Amended Tariff, filed on December 9, 2021, are approved.

3. Proposed Rule 15 (B) of the Second Amended Tariff, filed on December 9, 2021, is denied.

4. The Commission directs K & K to amend proposed Rule 15 (B) to require a 30-day time limit for customers to notify of damage claims.

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5. The Commission directs K & K to provide additional justification for proposed Rule 16 (D), Rule 27, Rule 37 (C), Rule 39, and Rule 40 of the Second Amended Tariff, filed on December 9, 2021.

6. This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:




Justin T. Williams, Chairman
Public Service Commission of
South Carolina